

CHAPTER 718
GENERAL AVIATION HANGAR REVOLVING LOAN FUND

761—718.1(330) Purpose. The purpose of the general aviation hangar revolving loan fund is to provide funding in the form of a low-interest loan to any general aviation airport to increase or improve its available hangar space.

761—718.2(330) Definition.

“General aviation airport” means a public-use airport that is owned by a governmental subdivision of the state of Iowa and that does not have scheduled commercial air service.

761—718.3(330) Information and forms. Information, instructions and application forms may be obtained from the Office of Aviation, Iowa Department of Transportation, 800 Lincoln Way, Ames, Iowa 50010; telephone (515)233-7703. Completed applications shall be submitted to this address.

761—718.4(330) Eligible airports. Eligible airports are those general aviation airports that have a current airport layout plan and are in compliance with minimum state safety standards (see 761—Chapter 720). The applicant must be the governmental subdivision charged with managing the general aviation airport.

761—718.5(330) Eligible project activities. Activities that are eligible for reimbursement include, but are not limited to, the following:

718.5(1) Hangar renovation or construction including associated design, land acquisition, grading, foundation work, floor slabs and utilities.

718.5(2) Relocating an existing hangar to correct violations of federal safety or design standards.

761—718.6(330) Funding.

718.6(1) The maximum funding ratio for a project is 90 percent state funds, 10 percent local funds.

718.6(2) The minimum loan funding for a project is \$10,000 and the maximum is \$100,000.

718.6(3) The maximum loan term is ten years from the date of project completion.

718.6(4) The interest rate for a project is 3 percent.

761—718.7(330) Project applications. Project applications shall be submitted to the office of aviation. Each application shall contain:

718.7(1) General information, including the airport sponsor’s name, contact person, mailing address and telephone number.

718.7(2) A capital improvement program (CIP) data sheet. The CIP data sheet shall include a sketch of the project, a brief description of the project and its purpose, and cost information including total project cost and an itemized breakdown of project components. If the application is for a new hangar, the applicant must demonstrate its need for that new hangar.

718.7(3) A resolution from the airport sponsor endorsing the project and authorizing the necessary local match funding.

718.7(4) Proposed loan conditions including the amount, interest rate and term, and a detailed description of the applicant’s ability to repay the loan.

761—718.8(330) Project review and approval.

718.8(1) Department staff shall review project applications and submit its recommendations to the transportation commission. The commission is responsible for approving the projects to be funded and the amount to be funded for each project.

718.8(2) Project selection shall be based on the following criteria:

a. Justification—40 percent. Justification for a project may include, but is not limited to:

(1) The need to construct a new hangar to house additional based aircraft from a waiting list or similar commitment. Additional consideration will be given to those airports with higher operation counts or projected counts.

(2) The need to rehabilitate an existing hangar because of its impact to based or additional based aircraft.

b. Local support—30 percent. Local support may include the proposed match contribution, length of loan, and amount of loan.

c. Economic development—30 percent. Economic development includes both the potential for increased use of aircraft storage based on availability of hangar space and the overall use of the airport as determined by operation counts or increased service activity or both.

761—718.9(330) Project agreement and administration.

718.9(1) Agreement. After the commission has approved a project, the department shall enter into an agreement with the airport sponsor.

718.9(2) Payments. Payments to the airport sponsor for eligible project costs shall be made on a cost reimbursement basis.

718.9(3) Default. The commission may revoke a funding commitment, seek repayment of funds loaned or take both actions if the applicant fails to fulfill the terms of the agreement.

These rules are intended to implement Iowa Code section 330.2.

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